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MICHIGAN LABOR MARKET REVIEW



Michigan Employment
Security Commission

STATEWIDE JOBLESS RATE CONTINUES TO DECLINE

Michigan's unemployment rate dropped by six-tenths of a percentage point as the jobless rate fell from 7.3 percent in July to 6.7 percent in August. The rate decrease represents 28,000 fewer individuals out of work, as total state residents seeking employment slipped to 317,000. The decline in joblessness was primarily a result of seasonal employment gains and automotive callbacks. Total employment in August registered an increase as the number of employed state residents advanced by 66,000 to reach 4,449,000. Additionally, the civilian labor force grew to 4,766,000, a gain of 38,000. Compared with a year ago, employment in Michigan has grown by 91,000, while the size of the labor force has expanded by 81,000. In August 1988, the total number of persons out of work amounted to 327,000, representing an unemployment rate of 7.0 percent.

JOB LEVEL INCHES UPWARD

Total nonagricultural wage and salary employment in Michigan increased as industry jobs rose to 3,833,000 in August. Employment opportunities inched upward by approximately 6,000 as goods producing gains more than offset service producing losses. Total employment in the goods producing industries climbed by 7,000 primarily as a result of seasonal gains in construction and automotive recalls. Service producing employment dipped by 1,000 to 2,740,000 in August, as government losses balanced out retail trade advances. Public sector positions fell by 5,000 as a result. Since August 1988, industry employment in Michigan has increased by 80,000 positions or 2.1 percent. Approximately 8,000 goods producing jobs have been added throughout the year, while service producing employment jumped by 72,000.



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	AUG 1989	JUL 1989	JUN 1989	AUG 1988
PLACE OF RESIDENCE				
Civilian Labor Force	4766	4728	4678	4685
Employment	4449	4383	4327	4358
Unemployment	317	345	351	327
Rate	6.7	7.3	7.5	7.0
PLACE OF WORK				
Wage and Salary Employment	3833	3827	3886	3753
Goods Producing Industries	1093	1086	1104	1085
Construction and Mining	159	157	152	159
Mining	11	11	11	11
Construction	148	146	141	148
Special trade Contractors	95	94	90	96
Other Construction	53	52	51	52
Manufacturing	934	928	952	926
Durable Goods	709	705	727	701
Lumber and Wood Products	16	15	16	15
Furniture and Fixtures	35	35	35	35
Stone, Clay and Glass Products	20	20	21	19
Metals	160	158	165	160
Primary Metals	45	45	46	46
Fabricated Metals	115	113	118	114
Nonelectrical Machinery	122	122	124	116
Electrical Machinery	35	35	36	35
Transportation Equipment	297	295	308	298
Motor Vehicles and Equipment	282	278	291	279
Other Transportation Equipment	15	17	17	19
Other Durable Goods	24	24	24	23
Nondurable Goods	226	223	225	225
Food and Kindred Products	46	46	43	48
Textiles and Apparel	20	20	21	21
Paper and Allied Products	21	21	21	21
Printing and Publishing	43	43	44	42
Chemicals and Petroleum	45	45	45	44
Other Nondurable Goods	50	49	51	49
Rubber and Plastic Prod.	48	47	48	46
Leather Products	3	3	3	2
Service Producing Industries	2740	2741	2783	2668
Trans., Comm. and Utilities	157	156	156	157
Transportation and Utilities	123	122	122	121
Communications	34	34	34	36
Wholesale Trade	198	199	198	189
Durable Goods	125	126	126	120
Nondurable Goods	73	74	72	69
Retail Trade	727	724	726	710
General Merchandise Stores	102	101	101	100
Food Stores	111	111	110	105
Automotive Dealers and Services	80	80	79	79
Eating and Drinking Places	251	250	251	245
Other Retail Trade	183	182	183	181
Finance, Insurance and Real Estate	190	190	190	187
Finance	97	97	97	95
Insurance and Real Estate	93	93	93	92
Services	891	890	888	859
Business Services	197	196	195	189
Health Services	284	285	283	280
Other Services	409	410	410	390
Government	577	582	625	566
Federal	61	61	61	61
State	149	149	154	142
Local	367	372	411	362

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1988 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1988 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the second consecutive month in August. The regular benefits claims load averaged 113,406 per week during the month, approximately 2,206 more than the July total.

The two percent increase was primarily due to additional automotive layoffs. In August 1988, the number of claimants drawing benefits under the regular benefit program averaged 120,493.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
August 05, 1988	149,000	21,000	128,000	73,800	11,400	62,400
August 12, 1988	141,000	14,700	126,300	66,100	7,100	59,000
August 19, 1988	117,800	12,400	105,400	57,900	5,800	52,100
August 26, 1988	105,300	11,800	93,500	52,700	5,300	47,400

SLIGHT SHIFT IN AREA PRICES

Consumer prices in the Detroit metropolitan area increased slightly from 122.1 in June to 122.2 in August. The increase in Detroit area prices was primarily due to offsetting increases and declines for five expenditure components. Prices in the area climbed by 3.9 percent since August 1987, when the consumer price index stood at 117.6. At the national level, the cost of living advanced by two-tenths of a percent to reach 124.6 during the month.

The higher national prices were also due to offsetting gains and losses. Between August 1987 and August 1988, national consumer prices increased by 4.7 percent. One year ago, the national index registered 119.0. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries increased to 42.2 hours in August. The increase occurred primarily as a result of additional hours worked by individuals in the automotive industry.

During the month average hourly earnings rose by seven cents to \$13.52, while average weekly earnings climbed by \$13.71 to total \$570.54. In August 1988, earnings averaged \$13.19 an hour or \$559.26 per week for a 42.4 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Aug	Jul	Aug	Aug	Jul	Aug	Aug	Jul	Aug
	1988	1988	1988	1988	1988	1988	1988	1988	1988
TOTAL MANUFACTURING	\$570.54	\$556.83	\$559.26	42.2	41.4	42.4	\$13.52	\$13.45	\$13.19
DURABLE GOODS	604.35	586.98	593.64	42.5	41.6	42.8	14.22	14.11	13.87
Primary Metal Products	602.65	611.28	609.18	42.5	43.2	43.7	14.18	14.15	13.94
Fabricated Metal Products	552.49	526.38	550.29	41.2	39.4	41.5	13.41	13.36	13.26
Nonelectrical Machinery	581.09	595.68	584.71	43.3	43.8	43.7	13.42	13.60	13.38
Electrical Machinery	499.53	447.73	513.04	43.4	40.3	43.7	11.51	11.11	11.74
Motor Vehicles & Equip.	727.06	695.54	701.38	43.2	41.9	43.7	16.83	16.60	16.05
NONDURABLE GOODS	460.62	457.37	449.90	41.2	40.8	41.2	11.18	11.21	10.92
Contract Construction	655.84	670.59	638.23	41.3	41.6	40.6	15.88	16.12	15.72
Department Stores	187.60	186.58	180.81	28.0	28.1	28.7	6.70	6.64	6.30

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

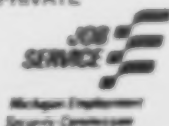
Note: Current month data are preliminary.

**CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
AUGUST 1988 (Preliminary)**

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	125,444,000	119,082,000	6,352,000	5.1
Michigan	4,766,000	4,449,000	317,000	6.7
Major Labor Markets				
Ann Arbor MSA	164,600	157,400	7,200	4.4
Battle Creek MSA	67,200	62,700	4,500	6.7
Benton Harbor MSA	82,100	76,400	5,700	7.0
Detroit MSA	2,278,000	2,118,000	160,000	7.0
Flint MSA	193,200	179,200	18,000	9.3
Grand Rapids MSA	378,000	359,200	18,700	5.0
Jackson MSA	68,800	64,300	4,500	6.5
Kalamazoo MSA	120,500	114,700	5,700	4.8
Lansing MSA	247,400	234,800	12,600	5.1
Muskegon MSA	71,000	68,100	2,900	8.3
Saginaw-Bay-Midland MSA	192,400	180,000	12,500	6.5
Upper Peninsula LMA	143,600	135,000	8,600	6.0
Major Counties (18,000+)				
Allegan	58,450	55,750	2,700	4.6
Barry	23,625	22,100	1,525	6.5
Bay	55,875	51,525	4,350	7.8
Branch	18,725	17,900	825	4.4
Cass	24,575	23,100	1,500	6.1
Clinton	30,875	29,175	1,700	5.5
Eaton	53,700	51,000	2,700	5.1
Grand Traverse	40,925	38,450	2,475	6.1
Gratiot	18,575	17,175	1,400	7.5
Hillsdale	20,325	18,750	1,575	7.7
Ingham	162,825	154,625	8,200	5.0
Ionia	19,950	18,150	1,800	9.0
Isabella	29,800	28,475	1,325	4.5
Kent	277,800	263,625	14,175	5.1
Lapeer	35,325	31,750	3,575	10.1
Lenawee	45,200	41,775	3,500	7.7
Other Counties				
Livingston	55,650	53,100	2,550	4.6
Macomb	394,500	369,700	24,800	6.3
Marquette	29,775	27,950	1,825	6.1
Midland	36,575	34,875	1,700	4.7
Monroe	66,025	61,825	4,200	6.4
Monica	24,900	23,300	1,600	6.5
Neenah	18,625	17,275	1,350	7.3
Neenah	18,625	17,275	1,350	7.3
Oakland	606,400	574,150	32,250	5.3
Ottawa	100,150	95,600	4,550	4.5
Saginaw	99,950	93,550	6,400	6.4
St. Clair	69,425	63,175	6,250	9.0
St. Joseph	28,775	26,325	2,450	8.5
Sanilac	21,425	19,650	1,775	8.3
Shiawassee	36,025	33,025	3,000	8.3
Tuscola	24,975	22,875	2,100	8.4
Van Buren	36,000	33,125	2,875	8.0
Wayne	1,050,450	964,275	86,175	8.2

**MICHIGAN EMPLOYMENT
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